

## BUDGETARY AUTHORITY RESOLUTION

### RESOLUTION NO. 17-\_\_\_\_\_

#### **A RESOLUTION AMENDING RESOLUTIONS 10-18921, 10-18984, 11-19122, AND 13-19325 GRANTING THE CITY ADMINISTRATOR THE AUTHORITY TO EXECUTE CONTRACTS TO AUTHORIZE AND FACILITATE THE IMPLEMENTATION OF THE NEIGHBORHOOD STABILIZATION AND FORECLOSURE ACQUISITION / REHABILITATION PROGRAMS.**

WHEREAS the City of Billings applied to the Montana Department of Commerce for a maximum of \$2,687,350 in Neighborhood Stabilization Program funding on July 27, 2009 to acquire, rehabilitate and offer affordable housing opportunities to low, moderate, and middle income households;

WHEREAS the funding for the Neighborhood Stabilization Program was authorized through the Housing and Economic Recovery Act of 2008 to prevent the deterioration of neighborhoods due to foreclosures;

WHEREAS the City of Billings received a finalized contract #MT-NSP-024-01-001 from the Montana Department of Commerce's Neighborhood Stabilization Program on January 25, 2010, authorizing the City of Billings to proceed in implementing the Neighborhood Stabilization Program within the City of Billings limits;

WHEREAS, the City of Billings will appropriate Neighborhood Stabilization Program Income and other federal funding for approved projects to implement the program through Budget Allocations and Amendments on a project-by-project basis;

WHEREAS, the City of Billings allocates Community Development Block Grant funding to further the program under the Foreclosure Acquisition / Rehabilitation Program, which is managed in a similar manner to the Neighborhood Stabilization Program;

WHEREAS, HUD rules preempt Billings City Code 22-902, Sale, Disposal, or lease of City Property. Therefore, there will be public notice of each sale, but no notification needs to be mailed to adjacent property owners. A public hearing on each sale also does not need to occur; and

WHEREAS, the City of Billings desires to establish data-driven funding limits that automatically adjust to current local market conditions.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Funding Appropriation: The City of Billings hereby authorizes the appropriation of funding on a project-by-project basis to acquire, rehabilitate and sell vacant, foreclosed homes to low-income homeowners meeting the

U.S. Department of Housing and Urban Development's (HUD) 80% Area Median Income limits.

Section 2. Contract Authority and Execution: The City of Billings hereby authorizes the City Administrator the authority to execute maximum contracts throughout the implementation of the Neighborhood Stabilization and Foreclosure Acquisition / Rehabilitation Programs as follows:

- a) The acquisition price to purchase eligible, foreclosed and / or vacant housing units citywide shall not exceed 95 percent of the current local median sales price, as established by HUD.
- b) Contracts for rehabilitation and / or new construction to bring the units to current HUD and local housing standards shall not exceed 50 percent of the current local median sales price, as established by HUD.
- c) Contracts to safely demolish foreclosed and blighted structures not suitable for rehabilitation in order to prepare the parcel for future affordable housing development shall not exceed 15 percent of the current local median sales price, as established by HUD.

Section 3. Change Orders: The City of Billings hereby authorizes the City Administrator the authority to implement change orders, limited to 10 percent of the original contract price, to facilitate the implementation of the Neighborhood Stabilization and Foreclosure Acquisition / Rehabilitation Programs.

Section 4. Contract Authority and Execution: The City of Billings hereby authorizes the City Administrator the authority to execute Neighborhood Stabilization and Foreclosure Acquisition / Rehabilitation programs property sales contracts, closing documents, and any and all other required documents related to the sale of acquired properties.

Section 5. Duration: The Resolution shall become effective on September 11, 2017 and will continue as long as program funding is available and allocated to the programs named herein.

Passed and approved this 11<sup>th</sup> day of September, 2017.

THE CITY OF BILLINGS:

BY: \_\_\_\_\_  
Thomas W. Hanel, Mayor

ATTEST:

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Denise R. Bohlman, City Clerk